

## Background

- The Northwest Rail Line is a 41-mile diesel commuter rail line that will operate between Denver Union Station and Longmont passing through North Denver, Adams County, Westminster, Broomfield, Louisville and Boulder.
- A Final Environmental Evaluation for the Northwest Rail project was issued in 2010, which identified the associated benefits and effects of implementing rapid transit service along the BNSF Railway Co. (BNSF) Line.
- The Northwest Rail project team worked with the BNSF to identify the alignment for the project because tracks will be shared by freight and commuter rail vehicles.
- The first segment of the Northwest Rail project, from Denver Union Station to south Westminster, is being built as part of the Eagle P3 project.
- For construction of segment 2 (the remainder of the corridor to Longmont) of the Northwest Rail project, BNSF will construct railroad improvements which will include a second track and RTD will construct the stations, platforms and traffic improvements.

## Negotiation Process

- Negotiations between RTD and BNSF for an agreement began in 2007.
- In 2010, RTD completed the negotiations for an easement for the first segment of Northwest Rail, from Denver Union Station to south Westminster.
- RTD anticipates entering into negotiations with BNSF for an additional operating easement allowing RTD use of the BNSF track to operate the RTD commuter rail vehicles between south Westminster and Longmont. This agreement is necessary to move the Northwest Rail Line forward.
- In February 2011, RTD paid the BNSF \$650,000 to begin 30-percent design and evaluate operating assumptions for segment 2.
- As part of this agreement, BNSF agreed to provide RTD with information on the feasibility and cost for a Northwest Rail Line operating easement as envisioned in the FasTracks plan.
- BNSF has provided information for two scenarios – peak-only service and the FasTracks plan opening day service.



## Northwest Rail Costs

- RTD completed conceptual engineering on the Northwest Rail Line to develop a cost estimate for the project and to identify environmental impacts.
- In the 2011 Annual Program Evaluation (APE), costs for segment 2 of the Northwest Rail Line were \$894.6 million in capital-only costs (YOE dollars). These capital costs were based on the preliminary engineering that was available at the time.
- Using new information from BNSF, staff updated the NW Rail Line cost estimate based on the capital construction and operating easement costs which total \$1,411.7 million (YOE dollars). These updated costs are based on the scope differentials identified below:
  - Additional right-of-way acquisition
  - Further environmental mitigation and utility relocations due to increased project footprint
  - More vehicles for spare ratio/12-axle rule
  - A one-time upfront capital cost for the operating easement (previously assumed by RTD to be an annual Operation & Maintenance cost)

## Results of Cost Changes

- Based on the new costs, it is likely that the completion date will have to be extended to match RTD's cash flow constraints.
  - Anticipate a 3-5 year delay for the project
  - Additional escalation over 3-5 years will result in an additional overall increase of \$150-\$300 million to the cost of the project

## Next Steps

- Discuss updated capital cost estimate with stakeholders through the end of 2011.
- In December 2011 and January 2012, the impacts to the FasTracks financial plan and implementation schedule will be evaluated.
- RTD will hold on-going workshops with BNSF to minimize construction, environmental and community impacts.

For more information on the Northwest Rail Line, visit [rtd-fastracks.com/nw\\_1](http://rtd-fastracks.com/nw_1).

